14

14 Durable Medical Equipment (DME)

Medicaid authorizes supplies, appliances, and durable medical equipment (DME) to Medicaid recipients of any age living at home. A provider of these benefits must ensure the following:

- The supplies, appliances, and DME are for medical therapeutic purposes.
- The items will minimize the necessity for hospitalization, nursing facility, or other institutional care.

The attending physician is responsible for ordering the items in connection with his or her plan of treatment. The attending physician must be a licensed, active, Alabama Medicaid provider. The DME provider is responsible for delivering and setting up the equipment as well as educating the recipient in the use of the equipment.

Request for coverage of durable medical equipment must be received by EDS within thirty days after the equipment is dispensed. When the request is not received within the thirty day time frame for **ongoing rental equipment (such as apnea monitors, pulse oximeters, oxygen, cpap machines, ventilators, bipap machines, compressors)** the thirty days will be calculated from the date the prior authorization request is received by EDS. (See section 14.3.1 Authorization for Durable Medical Equipment)

NOTE:

A recipient does not have to be a Home Health Care recipient in order to receive services of this program.

The policy provisions for DME providers can be found in the *Alabama Medicaid Agency Administrative Code,* Chapter 13.

14.1 Enrollment

EDS enrolls supply, appliance, and durable medical equipment providers and issues provider contracts to applicants who meet the licensure and/or certification requirements of the state of Alabama, the Code of Federal Regulations, the *Alabama Medicaid Agency Administrative Code*, and the *Alabama Medicaid Provider Manual*. A copy of your approved Medicare enrollment application is required.

Refer to Chapter 2, Becoming a Medicaid Provider, for general enrollment instructions and information. Failure to provide accurate and truthful information or intentional misrepresentation might result in action ranging from denial of application to permanent exclusion.

Provider Number, Type, and Specialty

A provider who contracts with Medicaid as a DME provider is issued a nine-digit Alabama Medicaid provider number that enables the provider to submit requests and receive reimbursements for DME-related claims.

NOTE:

All nine digits are required when filing a claim.

DME providers are assigned a provider type of 91 (DME). The valid specialty for DME providers is Durable Medical Equipment/Oxygen (V4).

Enrollment Policy for DME Providers

To participate in the Alabama Medicaid Program, DME providers must meet the following requirements:

- The provider's business must have a physical location in the state of Alabama or within a 30-mile radius of the Alabama state line. This requirement does not apply to Medicare crossover providers.
- There must be at least one person present to conduct business at the physical location. Answering machines and/or answering services are not acceptable as personal coverage during normal business hours (8:00 a.m. – 5:00 p.m.) The provider may serve all counties adjoining the county in which he has a business license and is physically located. Satellite businesses affiliated with a provider are not covered under the provider contract; therefore, no reimbursement will be made to a provider doing business at a satellite location, however the satellite could enroll with a separate provider number.
- Medicaid will enroll manufacturers of augmentative/alternative communication devices (ACDs) regardless of location.
- The provider shall have no felony convictions and no record of willful or grossly negligent noncompliance with Medicaid or Medicare regulations.

14.2 Benefits and Limitations

This section defines durable medical equipment, discusses Medicaid policy for supplying medical supplies and appliances as a DME provider, discusses prior authorization for DME, provides a listing of non-covered services, and describes reimbursement policy. Refer to Chapter 3, Verifying Recipient Eligibility, for general benefit information and limitations.

14.2.1 Supplies, Appliances, and DME

A written order or a signed prescription from the attending physician to a participating supplier determines medical necessity for covered items of supplies and appliances. A prescription is considered to be outdated by Medicaid when it is presented to EDS past ninety days from the date it was written. Medicaid considers a prescription to be valid for the dispensing of supplies for a period of twelve months. After the twelve month period of time, the recipient must be reevaluated by the attending physician to determine medical necessity for continued dispensing of medical supplies. Prior authorization by Medicaid is not required for supplies and appliances except for when more than the Medicaid allowed units are required (i.e. blood glucose test strips and lancets).

The recipient or their authorized representative is responsible for obtaining the prescription from the attending physician for Medicaid-covered items and taking it to a participating Alabama Medicaid DME provider.

Upon receipt of the prescription, the DME provider must:

- Verify Medicaid eligibility by checking the RID number and verifying that number using AVRS, AEVCS or the Provider Assistance Center at EDS
- Obtain necessary managed care referrals and prior authorization
- Collect the appropriate copayment amount
- Furnish the covered item(s) as prescribed
- Retain the prescription on file
- Submit the proper claim form to EDS

Upon furnishing durable medical equipment/supplies, the supplier should obtain a signature on any form he/she desires indicating that the equipment/supplies have been received by the recipient. If the recipient is unable to sign for the equipment/supply items the supplier should verify the identity of the person signing for the items, i.e. relative, homehealth worker, neighbor.

14.2.2 Durable Medical Equipment

Medicaid covers new durable medical equipment items for long-term use, long term use is defined as the use of durable medical equipment that exceeds six months. Standard durable medical equipment items (e.g. wheelchairs/beds) for EPSDT related services may be rented for six months or less.

Durable medical equipment is necessary when it is expected to make a significant contribution to the treatment of the recipient's injury or illness or for the improvement of physical condition.

As defined by Medicaid, durable medical equipment is equipment that meets the following conditions:

- Can stand repeated use
- Serves a purpose for medical reasons
- Is appropriate and suitable for use in the home

The cost of the item must not be disproportionate to the therapeutic benefits or more costly than a reasonable alternative. The item must not serve the same purpose as equipment already available to the recipient.

Providers should be aware of Medicaid policy regulating medical necessity for durable medical equipment. The policy is described below for DME covered by Medicaid.

Warranty, Maintenance, Replacement, and Delivery

All standard durable medical equipment must have a manufacturer's warranty of a minimum of one year. If the provider supplies equipment that is not covered under a warranty, the provider is responsible for repairs, replacements and maintenance for the first year. The warranty begins on the date of delivery (date of service) to the recipient. The original warranty must be given to the recipient and the provider must keep a copy of the original warranty for audit review by Medicaid. Medicaid may request a copy of the warranty.

Medicaid covers repair of standard durable medical equipment. These services must be prior approved by Medicaid. Medical documentation submitted must support the need for servicing of the equipment. Providers should submit their usual and customary charges for the service.

Requests for items that are covered by Medicaid which are outside the normal benefit limits, due to damage beyond repair or other extenuating circumstances must be submitted to the Long Term Care Division for review and consideration. Request for repair/replacement due to extenuating circumstances should be mailed to, Alabama Medicaid Agency, 501 Dexter Ave., LTC Division, Montgomery AL, 36103.

The Alabama Medicaid DME Program covers replacement equipment as needed due to wear, theft, irreparable damage, or loss by disasters. Documentation must accompany prior authorization requests for replacement in these instances. However, cases suggesting malicious damage, neglect, or wrongful misuse of the equipment will be investigated. Requests for equipment will be denied if such circumstances are confirmed.

Payment for repair/replacement of equipment which has been denied by Medicaid would be the responsibility of the recipient/caregiver.

NOTE:

This section describes medical policy for DME. For valid procedure codes and modifiers, refer to Appendix P, Procedure Codes and Modifiers.

Suction Pump, Home Model, Portable (E0600)

A physician must prescribe a suction pump as medically necessary for the equipment to qualify for Medicaid reimbursement. EDS must receive a request for coverage within **thirty calendar days** after the date the pump is dispensed. The recipient must be unable to clear the airway of secretions by coughing secondary to one of the following conditions:

- Cancer or surgery of the throat
- Paralysis of the swallowing muscles
- Tracheostomy
- Comatose or semi-comatose condition

The suction device must be appropriate for home use without technical or professional supervision. Individuals using the suction apparatus must be sufficiently trained to adequately, appropriately, and safely use the device.

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT program. The information submitted must include documentation that the recipient meets the above medical criteria.

NOTE:

Purchase of the suction pump will be limited to one per recipient every five years provided the above criteria is met.

Home Blood Glucose Monitor (E0607)

Home blood glucose monitors will be considered for Medicaid beneficiaries diagnosed as having either Type 1, Type 2, or Gestational Diabetes Mellitus. Home blood glucose monitors must be prescribed as medically necessary by the primary physician and prior authorized by EDS, and **at least two** of the following medical criteria must be met:

- Home blood glucose monitoring is required two or more times a day.
- Physician identifies or diagnoses a recurrence in the recipient's symptoms (hyperglycemia, hypoglycemia) that may be prevented, delayed, or controlled by self-monitoring the blood sugar.
- Recipient has had at least one emergency room visit or one hospital admission related to diabetes complications within the 12 months prior to the date of the request.
- Recipient has uncontrolled diabetes manifested by two or more fasting blood sugars of greater than 126 mg/dl, hemoglobin Alc > 7.0%, or random blood sugar > 150 mg/dl.
- Recipient experiences complications resulting from poor diabetes control including neuropathy, nephropathy, retinopathy, recurrent hyperglycemia/hypoglycemia, repeated infections or non-healing wounds, stroke, and cardiovascular disease.
- Recipient has experienced two or more HbAlc levels < 4.0 % or >7.0%, at least three months apart.

The dispensing provider must submit documentation that justifies at least two of the medical criteria above to EDS for prior authorization within **thirty calendar days** from the date the equipment was dispensed. This alone does not guarantee approval. Medical necessity must be determined by Medicaid professional staff. A review of the submitted documentation will determine medical necessity. The request may be approved or denied, or additional information may be requested. Documentation must also include the physicians' certification that the recipient or their caregiver is receiving, or has received, diabetes education and training for the use the glucose monitor in the appropriately prescribed manner for use in the home.

Requests for Medicaid's authorization of a replacement glucose monitor will be accepted for review **every two years** from the initial physician's certification date. Medicaid will consider requests for the exceptions from this time frame only if the replacement is needed due to an occurrence beyond the recipient's control. The request for a replacement glucose monitor must be accompanied by the documentation of the reason for the request. Negligence will not be considered a valid reason for exception.

Blood Glucose Test or Reagent Strips and Lancets (A4253, A4259)

Blood glucose test or reagent strips for home blood glucose monitor, along with lancets, will be considered for beneficiaries diagnosed as having either Type 1, Type 2, or Gestational Diabetes Mellitus. Blood glucose test or reagent strips must be prescribed as medically necessary by the primary physician, and **at least two** of the following medical criteria must be met:

- Home blood glucose monitoring is required two or more times a day.
- Physician identifies or diagnoses a recurrence in the recipient's symptoms (hyperglycemia, hypoglycemia) that may be prevented, delayed, or controlled by self-monitoring the blood sugar.

- Recipient has had at least one emergency room visit or one hospital admission related to diabetes complications within the 12 months prior to the date of the request.
- Recipient has uncontrolled diabetes manifested by two or more fasting blood sugars of greater than 126 mg/dl, hemoglobin Alc > 7.0%, or random blood sugar > 150 mg/dl.
- Recipient experiences complications resulting from poor diabetes control including neuropathy, nephropathy, retinopathy, recurrent hyperglycemia/hypoglycemia, repeated infections or non-healing wounds, stroke, and cardiovascular disease.
- Recipient has experienced two or more HbAlc levels < 4.0 % or >7.0%, at least three months apart.

The dispensing provider is responsible for maintaining documentation from the prescribing physician that justifies the medical criteria is met. Documentation must not be greater than six months from the date of the prescription. Failure to maintain this documentation on file for at least three years may result in recoupment of charges billed to Medicaid.

- **A4253** - Blood glucose test or reagent strips for home glucose monitor, per box of 50 (limited to 3 boxes per month). If additional strips are needed, a prior authorization request must be submitted to Medicaid for review. The request must include documentation from the primary physician that justifies medical necessity for the additional strips.
- **A4259** – Lancets, per box of 100. (limited to two boxes per month). If additional lancets are needed, a prior authorization request must be submitted to Medicaid for review. The request must include documentation from the primary physician that justifies medical necessity for the additional lancets.

If additional strips or lancets are needed and at least two of the above medical criteria continue to be met, a prior authorization request must be submitted by the dispensing provider to EDS within **thirty calendar days** from the date the item was dispensed.

Medical necessity must be determined by Medicaid professional staff. A review of the submitted documentation will determine medical necessity. The request may be approved or denied, or additional information may be requested. Documentation must also include the physicians' certification that the recipient or his/her caregiver is receiving, or has received, diabetes education and training for the use the glucose monitor, strips, and lancets in the appropriately prescribed manner for use in the home.

When billing Medicaid for diabetic supplies for a recipient who requires additional strips or lancets above the Medicaid established limit, please bill for three boxes of strips (A4253) and two boxes of lancets (A4259) before you bill for the additional amounts approved on the prior authorization. When you bill for the additional strips and lancets, that were prior approved, use the appropriate prior authorization number when submitting the claim.

Added: NOTE

NOTE:

Effective April 2, 2006 the procedure codes listed below are now covered supplies to be used with the Home Blood Glucose Monitor:

A4233 - Replacement battery, alkaline, (other than J cell), for use with medically necessary Home Blood Glucose Monitor owned by the patient, each.

A4234 – Replacement battery, alkaline, J cell for use with medically necessary Home Blood Glucose Monitor owned by patient, each.

A4235 – Replacement battery, lithium, for use with medically necessary Home Blood Glucose Monitor owned by the patient, each.

A4256 – Normal, low and high calibrator solution/chips.

A4258 – Spring-powered lance device for lancet, each.

NOTE:

Effective November 1, 2000, Durable Medical Equipment (DME) Providers of diabetic equipment and supplies who can provide mail order services are allowed to provide these supplies statewide. Medicaid's current policy only allows DME providers to provide equipment, supplies and appliances to recipients living in adjoining counties. This policy will still apply for all services provided with the exception of the diabetic equipment and supplies. These services may be provided by any enrolled Medicaid DME provider offering mail order services of diabetic equipment and supplies. These providers will also offer free replacement of non-functioning diabetic glucose monitors. This updated policy will ensure that all elderly or disabled recipients who are in need of diabetic supplies, and are without any means of transportation will have adequate access to them.

External Ambulatory Infusion Pump (E0784), and Supplies (A4232, A4221)

An external ambulatory infusion pump is a small portable battery device worn on a belt around the waist and attached to a needle or catheter designed to deliver measured amounts of insulin through injection over a period of time. The ambulatory infusion pump will be limited to one every five years.

The external ambulatory infusion is approved by the Alabama Medicaid Agency for use in delivering continuous or intermittent insulin therapy on an outpatient basis when determined to be appropriate medically necessary treatment, and must be prior authorized.

E0784 - External Ambulatory Infusion Pump will be limited to one every five years based on submitted documentation. This procedure code will be a capped rental item with rental payment of $360.00 per month for twelve months. At the end of the twelve month period the item is considered to be a purchased item for the recipient paid in full by Medicaid. Any maintenance/repair cost would be subject to an EPSDT screening and referral and a prior authorization as addressed under current Medicaid policy.

A4232 - Syringe with needle for External Insulin Pump, sterile 3cc (each) will be supplied in quantities prescribed as medically necessary by the physician.

A4221 - Supplies for maintenance of drug infusion catheter per week will be limited to three supply kits per week; no more than twelve supply kits per month. These supply kits must be prescribed as medically necessary by the recipient's physician. If additional supply kits are needed an EPSDT screening and referral and a prior authorization must be submitted to Medicaid for review and approval.

The following criteria must be met in determining medical necessity for the insulin pump (All seven must be met):

1. Patient must be under 21 years of age and EPSDT eligible.
2. A board certified or eligible endocrinologist must have evaluated the patient and ordered insulin pump.
3. Patient must have been on a program of multiple daily injections of insulin (i.e., at least 3 injections per day) with frequent self-adjustments of insulin dose for at least 6 months prior to initiation of the CSII pump.
4. Patient has documented frequency of glucose self-testing an average of at least four times per day during the three months prior to initiation of the insulin pump.
5. Patient or caregiver must be capable, physically and intellectually, of operating the pump.
6. Type 1 diabetes must be documented by a C-peptide level < 0.5.
7. Records must have documentation of active and past recipient compliance with medications and diet, appointments and other treatment recommendations.

Two or more of the following criteria must also be met:

1. Copies of lab reports documenting two elevated glycosylated hemoglobin levels (HbA1c>7.0%) within a 120-day span, while on multiple daily injections of insulin.
2. History of severe glycemic excursions (commonly associated with brittle diabetes, hypoglycemic unawareness, nocturnal hypoglycemia, extreme insulin sensitivity and/or very low insulin requirements). A history of not less than 3 documented episodes of severe hypoglycemia (<60 mg/dl) or hyperglycemia (>300 mg/dl) in a given year.
3. Widely fluctuating blood glucose levels before mealtime (i.e., pre-prandial blood glucose level consistently exceeds 140 mg/dl).
4. Dawn phenomenon with fasting blood sugars frequently exceeding 200 mg/dl.

Approved Diagnoses:

Approval will be given for only the following type 1 diabetes mellitus diagnosis codes, if above criteria is met: 250.01, 250.03, 250.11, 250.13, 250.21, 250.23, 250.31, 250.33, 250.41, 250.43, 250.51, 250.53, 250.61, 250.63, 250.71, 250.73, 250.81, 250.83, 250.91, 250.93.

Hospital Bed/Mattress/Bed Side Rails (E0250, E0255) (E0303) (E0304)

A physician must prescribe bedside rails as medically necessary in order for a recipient to qualify for Medicaid reimbursement. EDS must receive the request for coverage within **thirty calendar days** after the date that the equipment was dispensed. The recipient must be bed confined and have one or more of the following conditions:

- Recipient's condition necessitates positioning or transferring that would not be feasible in an ordinary bed
- Recipient experiences severe contractures
- Recipient is comatose or semi-comatose

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT Program. The information submitted must include documentation that the recipient meets the above medical criteria.

Medicaid covers hospital beds (E0304) extra heavy duty, extra wide, with any type side rails, with mattress to accommodate weight capacities greater than 600 pounds.

Medicaid covers hospital beds (E0303) heavy duty, extra wide, with any type side rails, with mattress to accommodate weight capacities greater than 350 pounds, but less than 600 pounds.

Medicaid will use the established prior authorization criteria for these hospital beds, but will add the weight, width and length requirements. Individuals approved for these beds must be fitted and measured by the Durable Medical Equipment Company providing these services. Medicaid will reimburse providers at invoice cost plus 20% for these Bariactric beds.

NOTE:

Purchase of the hospital bed/mattress/bed side rails is limited to one per lifetime for recipients who meet the above criteria.

Alternating Pressure Pad (E0181)

A physician may consider alternating pressure pads (APP) for Medicaid payment only when prescribed as medically necessary. Requests for the equipment must be received by EDS within **thirty calendar days** after the date that the APP was dispensed. The following medical criteria must be met:

- Documentation must indicate the recipient has, or is highly susceptible to, decubitus ulcers.
- The recipient must be essentially bed confined.
- The recipient's physician must supervise the use of the APP in connection with the course of treatment.

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT Program. The information submitted must include documentation that the recipient meets the above medical criteria.

NOTE:

Alternating pressure pads are limited to one every three years for recipients who meet the above criteria.

Gel or Gel-like Pressure Pad for Mattress (E0185)

Gel or gel-like pressure pads will be considered for Medicaid payment when prescribed as medically necessary by a physician. Request for coverage must be received by EDS within **thirty calendar days** after the date that the equipment was dispensed. An eligible recipient must meet the following medical criteria:

- Documentation must indicate the recipient has, or is highly susceptible to decubitus ulcers.
- The recipient must be essentially bed confined.
- The recipient's physician must supervise the use of the gel or gel-like pressure pad in connection with the course of treatment.

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT Program. The information submitted must include documentation that the recipient meets the above medical criteria.

NOTE:

Purchase of the gel or gel-like pressure pad is limited to one every two years for recipients who meet the above criteria.

Mattress Replacement (E0271)

To qualify for Medicaid reimbursement of a mattress replacement, a physician must prescribe the equipment as medically necessary. Request for coverage must be received by EDS within **thirty calendar days** after the date that the equipment was dispensed. An eligible recipient must meet the following medical criteria:

- The patient has a safe and adequate hospital bed in his home
- Documentation must be submitted showing the mattress in use is damaged and inadequate to meet the patient's medical needs.

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT Program. The information submitted must include documentation that the recipient meets the above medical criteria.

NOTE:

Purchase of the mattress replacement is limited to one every three years for recipients who meet the above criteria.

Bed Side Rails (E0310)

A physician must prescribe bedside rails as medically necessary in order for a recipient to qualify for Medicaid reimbursement. EDS must receive the request for coverage within **thirty calendar days** after the date that the equipment was dispensed. The recipient must be bed confined and have one or more of the following conditions:

- Disorientation
- Positioning problem
- Vertigo
- Seizure disorder

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT Program. The information submitted must include documentation that the recipient meets the above medical criteria.

NOTE:

Purchase of the bedside rails is limited to one per lifetime for recipients who meet the above criteria.

Recipient Hydraulic Lift With Seat or Sling (E0630)

Recipient hydraulic lifts will be considered for Medicaid payment when prescribed as medically necessary by a physician. Request for coverage must be received by EDS within **thirty calendar days** after the date that the equipment was dispensed. An eligible recipient must meet the following medical criteria:

- Documentation must indicate the recipient has, or is highly susceptible to decubitus ulcers.
- The recipient must be essentially bed confined.

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT Program. The information submitted must include documentation that the recipient meets the above medical criteria.

NOTE:

Purchase of the recipient hydraulic lift is limited to one per lifetime for recipients who meet the above criteria.

Trapeze Bar, AKA Recipient Helper, Attached to Bed with Grab Bar (E0910) (E0911)

To qualify for Medicaid reimbursement of a trapeze bar, the physician must prescribe the equipment as medically necessary for the recipient. Request for coverage must be received by EDS within **thirty calendar days** after the date that the equipment was dispensed. The recipient must be essentially bed confined and must meet the following documented conditions:

- The recipient must have positioning problems. Documentation must show that the recipient has physical/mental capability of using the equipment for repositioning.

- The recipient must have difficulty getting in and out of bed independently.

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred under the EPSDT program. The information submitted must include documentation that the recipient meets the above medical criteria.

Medicaid covers Trapeze Bar (E0911), heavy duty for patient weight capacity greater than 250 pounds, Attached to Bed with Grab Bar

Medicaid will use the established prior authorization criteria for these trapeze bars, but will add the weight requirements. Individuals approved for these trapeze bars must weigh over 250 pounds. Medicaid will reimburse providers at invoice cost plus 20% for these trapeze bars.

NOTE:

Purchase of the trapeze bar is limited to one per lifetime for recipients who meet the above criteria.

Nebulizer (E0570)

The nebulizer is a covered service in the DME program for all recipients. The nebulizer can be provided only if it can be used properly and safely in the home. A physician must prescribe it as medically necessary.

This equipment may be purchased for any qualified Medicaid recipient based on the criteria listed below. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT Program.

The policy limiting purchase of a nebulizer (E0570) to one every two years was revised. One nebulizer may be purchased every four years for recipients if medcially necessary. Medicaid system changes were made to ensure that nebulizer purchases subject to the limitation of one every two years has an end date of December 31, 2002 and purchases subject to the limitation of one every four years has a begin date of January 1, 2003. The system looks at claims from previous years as well as current history to ensure that claims paid in 2002 will not be paid again until the four years are up.

The prior authorization requirement for neulizers was dropped in June 1999, therefore, nebulizers do not require prior authorization and should not be submitted to EDS for prior authorization.

Request for consideration of payment for replacement of nebulizers due to theft or loss by disasters must be submitted with a police or fire report and a clean claim to the Alabama Medicaid Agency, 501 Dexter Avenue, Long Term Care Division, Montgomery, AL, 36103.

Age Group	*Purchase or Rental Requirements*
Children 6 years of age or under	**Purchases** require documentation of previous episodes of severe respiratory distress associated with one of the following diagnoses: • Asthma • Reactive Airway Disease • Cystic Fibrosis • Bronchiectasis • Bronchospasm Short-term **Rentals** (6 months or less) are allowed for first time episodes associated with one of the above diagnoses. Supporting documentation must accompany the request.
Children 7 through 18 years of age	**Purchases** require documentation of one of the diagnoses listed above. Documentation must also be submitted of one of the following: • The recipient has had a failed trial of a least four weeks of anti-inflammatory drugs (for example, Cromolyn, Nedocromil, and steroids) and bronchodilators (for example, B2 adrenergics, Ipratropium) delivered by metered dose inhaler (MDI) and spacer or dry powder inhalers (DPI). • The recipient's medical condition prevents the coordination necessary to effectively use an MDI and spacer or DPI (i.e. cerebral palsy, mental retardation, neuromuscular weakness, or muscle paralysis).
Recipients 18 years of age and above	**Purchases** require documentation of one of the following diagnoses: • Asthma • Bronchiectasis • Cystic Fibrosis Recipients with a diagnosis of asthma must have documentation of one of the following: • The recipient has had a failed trial of at least four weeks of inhaled or oral anti-inflammatory drugs and inhaled bronchodilators. • The recipient is a moderate or severe asthmatic whose rescue treatment with MDIs is insufficient to prevent hospitalizations or emergency room visits (2 or more ER visits for asthma or 1 or more hospitalizations in the past 12 months). **Rentals** are approved only on a short-term basis (6 months or less) for acute complications of pneumonia.
Children and Adults	**Purchases** may be approved to deliver medications that can be administered only by aerosol (i.e. Pulmozyme for cystic fibrosis). Must be accompanied by supporting documentation. **Rentals** may be approved on a short-term basis (6 months or less) to administer medications as an alternative to intravenous administration of those drugs (for example, nebulized tobramycin, colistin, or gentamicin). Must be accompanied by supporting documentation.

NOTE:

Purchase of the nebulizer is limited to one every four years for recipients who meet the above criteria.

Iron Chelation Therapy Equipment (E0779, A4222, A4632, E1399 & E1340)

Iron Chelation Therapy equipment will be considered for Medicaid payment when prescribed as medically necessary by a physician for an eligible recipient who meets the following criteria:

- Documentation must be submitted indicating the recipient has been diagnosed as having Sickle Cell Disease.
- A Sickle Cell Foundation office must submit the request for the equipment.
- EDS must receive a prior authorization request after obtaining the above information within **thirty calendar days** after the date that the equipment was dispensed. This includes the Auto-Syringe Infusion Pump for Iron Chelation Therapy (E0779) and the Auto-Infusion Pump Repair for Iron Chelation Therapy (E1399 & E1340).

Iron Chelation Therapy equipment will be purchased for any qualified Medicaid recipient who meets the above criteria. The information submitted must include documentation that the recipient meets the above criteria.

Augmentative Communication Devices (E2500), (E2502), (E2504), (E2506), (E2508), (E2510), (E2511), (E2512), (E2599)

Augmentative Communication Devices (ACDs) are defined as portable electronic or non-electronic aids, devices, or systems for the purpose of assisting a Medicaid eligible recipient to overcome or improve severe expressive speech-language impairments/limitations due to medical conditions in which speech is not expected to be restored. These devices also enable the recipient to communicate effectively.

These impairments include but are not limited to apraxia of speech, dysarthria, and cognitive communication disabilities. ACDs are reusable equipment items that must be a necessary part of the treatment plan consistent with the diagnosis, condition or injury, and not furnished for the convenience of the recipient or his family. Medicaid will not provide reimbursement for ACDs prescribed or intended primarily for vocational, social, or academic development/enhancement.

E2500 Speech generating device digitized speech using pre-recorded messages, less than or equal to eight minutes recording time.

E2502 Speech generating device, digitized speech using pre-recorded messages greater than 8 minutes, but less than or equal to 20 minutes recording time.

E2504 Speech generating device, digitized speech using pre-recorded messages greater than 20 minutes, but less than or equal to 40 minutes recording time.

E2506 Speech generating device, digitized speech using pre-recorded messages greater than 40 minutes recording time.

E2508 Speech generating device, synthesized speech requiring message formulation by spelling and access by physical contact with the device.

E2510 Speech generating device, synthesized speech permitting multiple methods of message formulation and access by physical contact with the device.

E2511 Speech generating software program, for personal computer or personal digital assistant.

E2512 Accessory for speech generating device**,** mounting system**.**

E2599 Accessory for speech generating device not otherwise classified.

Scope of services includes the following elements:

- Screening and evaluation
- ACD, subject to limitations
- Training on use of equipment

These are inclusive in the allowable charge and may not be billed separately.

NOTE:

This section describes candidacy criteria, evaluation criteria, and prior authorization and limits for ACDs.

Candidacy Criteria

Candidates must meet the following criteria:

Age	*Candidacy Criteria*
Under age 21	• EPSDT referral by Medicaid enrolled EPSDT provider. • Referral must be within one year of application for ACD. The EPSDT provider must obtain a referral from the Patient 1st Primary Medical Provider where applicable • Medical condition which impairs ability to communicate as described above • Evaluation required by qualified, experienced professional • Physician prescription to be obtained after the evaluation and based on documentation contained in evaluation.
Adults, age 21+	• Referral from a primary care physician (Patient 1st PMP where applicable). • Referral must be within one year of application for ACD • Medical condition which impairs ability to communicate as described above • Evaluation by required qualified experienced professionals • Physician prescription to be obtained after the evaluation and based on documentation provided in the evaluation.

Evaluation Criteria

Qualified interdisciplinary professionals must evaluate the candidate. Evaluation by interdisciplinary professionals must include a speech-language pathologist and a physician. Qualifications for a speech-language pathologist include:

- Master's degree from accredited institution
- Certificate of Clinical Competence in speech/language pathology from the American Speech, Language, and Hearing Association
- Alabama license in speech/language pathology
- No financial or other affiliation with a vendor, manufacturer or manufacturer's representative of ACDs
- Current continuing education in the area of Augmentative Communication

Evaluations by interdisciplinary professionals should also include, but may not be limited to, a physical therapist, social worker, and/or occupational therapist.

A physical therapist must possess the following qualifications:

- Bachelor's degree in Physical Therapy from accredited institution
- Alabama license in Physical Therapy
- No financial or other affiliation with a vendor, manufacturer or manufacturer's representative of ACDs

A social worker must possess the following qualifications:

- Bachelor's degree from accredited institution
- Alabama license in Social Work
- No financial or other affiliation with a vendor, manufacturer or manufacturer's representative of ACDs

An occupational therapist must possess the following qualifications:

- Bachelor's degree in Occupational Therapy from accredited institution
- Alabama license in Occupational Therapy
- No financial or other affiliation with a vendor, manufacturer or manufacturer's representative of ACDs

Prior Authorization Process

ACDs and services are available only through the Alabama Medicaid prior approval process. Requests for authorization must be submitted to Medicaid for review. Documentation must support that the client is mentally, physically and emotionally capable of operating/using an ACD. The request must include documentation regarding the medical evaluation by the physician and recipient information.

Medical examination by a physician is required to assess the need for an ACD to replace or support the recipient's capacity to communicate. The examination should cover:

- Status of respiration
- Hearing
- Vision
- Head control
- Trunk stability
- Arm movement
- Ambulation
- Seating/positioning
- Ability to access the device

The evaluation must be conducted within 90 days of the request for an ACD.

Medicaid requires the following recipient information with the prior authorization request:

Topic	***Information required for the PA***
Identifying information	• Name • Medicaid RID number • Date(s) of Assessment • Medical diagnosis (primary, secondary, tertiary) • Relevant medical history
Sensory status (As observed by physician)	• Vision • Hearing • Description of how vision, hearing, tactile and/or receptive communication impairments affect expressive communication (e.g., sensory integration, visual discrimination)
Postural, Mobility & Motor Status	• Motor status • Optimal positioning • Integration of mobility with ACD • Recipient's access methods (and options) for ACD
Development Status	• Information on the recipient's intellectual/cognitive/development status • Determination of learning style (e.g., behavior, activity level)
Family/Caregiver and Community Support Systems	A detailed description identifying caregivers and support, the extent of their participation in assisting the recipient with use of the ACD, and their understanding of the use and their expectations
Current Speech, Language and Expressive Communication Status	• Identification and description of the recipient's expressive or receptive (language comprehension) communication impairment diagnosis • Speech skills and prognosis • Communication behaviors and interaction skills (i.e. styles and patterns) • Description of current communication strategies, including use of an ACD, if any • Previous treatment of communication problems
Communication Needs Inventory	• Description of recipient's current and projected (for example, within 5 years) speech-language needs • Communication partners and tasks, including partner's communication abilities and limitations, if any • Communication environments and constraints which affect ACD selection and/or features
Summary of Recipient Limitations	Description of the communication limitations
ACD Assessment Components	Justification for and use to be made of each component and accessory requested
Identification of the ACDs Considered for Recipient-Must Include at Least Two (2)	• Identification of the significant characteristics and features of the ACDs considered for the recipient • Identification of the cost of the ACDs considered for the recipient (including all required components, accessories, peripherals, and supplies, as appropriate) • Identification of manufacturer • Justification stating why a device is the least costly, equally effective alternative form of treatment for recipient • Medical justification of device preference, if any
Treatment Plan & Follow Up	• Description of short term and long term therapy goals • Assessment criteria to measure the recipient's progress toward achieving short and long term communication goals • Expected outcomes and description of how device will contribute to these outcomes • Training plan to maximize use of ACD

Topic	*Information required for the PA*
Additional Documentation	• Documentation of recipient's trial use of equipment including amount of time, location, analysis of ability to use • Documentation of qualifications of speech language pathologists and other professionals submitting portions of evaluation. Physicians are exempt from this requirement. • Signed statement that submitting professionals have no financial or other affiliation with manufacturer, vendor, or sales representative of ACDs. One statement signed by all professionals will suffice.

NOTE:

Medicaid reserves the right to request additional information and/or evaluations by appropriate professionals.

Limits

ACDs including components and accessories will be modified or replaced only under the following circumstances:

- Medical Change: Upon the request of recipient if a significant medical change occurs in the recipient's condition that significantly alters the effectiveness of the device.
- Age of Equipment: ACDs outside the manufacturer's or other applicable warranty that do not operate to capacity will be repaired. At such time as repair is no longer cost effective, replacement of identical or comparable component or components will be made upon the request of the recipient. Full documentation of the history of the service, maintenance, and repair of the device must accompany such request.
- Technological Advances: No replacements or modifications will be approved based on technological advances unless the new technology would meet a significant medical need of the recipient which is currently unmet by present device.

All requests for replacement, modification as outlined above require a new evaluation and complete documentation. If new equipment is approved, old equipment must be returned.

Other Information

Topic	*Required for the PA*
Invoice	The prior authorization request and the manufacturer's invoice must be forwarded to EDS Prior Authorization department.
Trial Period	No communication components will be approved unless the client has used the equipment and demonstrated an ability to use the equipment. Prior authorization for rental may be obtained for a trial period. This demonstrated ability can be documented through periodic use of sample/demonstration equipment. Adequate supporting documentation must accompany the request. Prior authorizations for rental of ACD device E2510 may be approved for a four (4) week trial period of usage by the recipient. The manufacturer must agree to this trial period. Medicaid will reimburse the manufacturer for the dollar amount authorized by the Agency for the four (4) week trial period. This amount will be deducted from the total purchase price of the ACD device.
Repair	Repairs are covered only to the extent not covered by manufacturers' warranty. Repairs must be prior approved. Battery replacement is not considered repair and does not require prior authorization.
Loss/Damage	Replacement of identical components due to loss or damage must be prior approved. These requests will be considered only if the loss or damage is not the result of misuse, neglect, or malicious acts by the users.

Topic	*Required for the PA*
Component / Accessory Limits	No components or accessories will be approved that are not medically required. Examples of non-covered items include but are not limited to the following: • Printers • Modems • Service contracts • Office/business software • Software intended for academic purposes • Workstations • Any accessory that is not medically required.

The ACD device must be tailored to meet each individual recipient's needs. Therefore, a recipient may need to try more than one device until one is suitable To meet their needs is identified. The Medicaid Agency will allow rental of the device, on a week to week basis for $135.00 per week, for a maximum one month with a maximum rental cap of $540.00. The amount paid for this rental will be deducted from the total purchase price of the ACD device. The procedure code for one month rental of this device is E2510 (R).

Wheelchairs

To qualify for Medicaid reimbursement of a wheelchair, the physician must prescribe the equipment as medically necessary for the recipient. Request for coverage must be received by EDS within **thirty calendar days** after the date that the equipment was dispensed. The recipient must be essentially bed confined and must meet the following documented conditions:

- The recipient must be essentially chair confined or bed/chair confined.
- The wheelchair is expected to increase mobility and independence.

A standard wheelchair (procedure code E1130) should be requested unless documentation supports the need for any variation from the standard wheelchair. An example of this variation is an obese recipient who requires the wide heavy-duty wheelchair (E1093). For a list of valid wheelchair procedure codes, refer Appendix P, Procedure Codes and Modifiers.

Medicaid reimburses Durable Medical Equipment providers for Extra Heavy Duty Wheelchairs. These wheelchairs accommodate weight capacities up to 600 lbs. Medicaid covers these wheelchairs as a purchase by using HCPC code K0007.

Medicaid covers the other manual wheelchair base to accommodate weight capacity of 600 pounds or greater. The other manual wheelchair base will be covered using HCPC code K0009. The wheelchair component or accessory not otherwise specified for the wheelchair will be covered using procedure code K0108 (an already existing code). We will use the established prior authorization criteria for the other manual wheelchair base, and the wheelchair component or accessory not otherwise specified. Medicaid will require provider to submit available MSRPS from three manufacturers for the items. Medicaid will require weight, width and depth specification for these items.

NOTE:

The provider must ensure that the wheelchair is adequate to meet the recipient's need. For instance, providers should obtain measurements of obese recipients to ascertain body width for issuance of a properly fitted wheelchair.

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred under the EPSDT program. The information submitted must include documentation that the recipient meets the above medical criteria.

Motorized/Power Wheelchairs

The Alabama Medicaid Agency covers motorized/power wheelchairs and to qualify for the motorized/power wheelchairs an individual must meet full Medicaid financial eligibility and established medical criteria. All requests for motorized/power wheelchairs are subject to Medicaid Prior Approval provisions established by the Alabama Medicaid Agency. The patient must meet criteria applicable to manual wheelchairs pursuant to the Alabama Medicaid Agency Administrative Code Rule No. 560-X-13-.17. The attending physician must provide documentation that a manual wheelchair cannot meet the individual's medical needs, and the patient must require the motorized/power wheelchair for six (6) months or longer.

The following are policies related to the coverage of motorized/power wheelchairs:

- Motorized/power wheelchair base codes covered are K0010, K0011, K0012 and K0014. The reimbursement for K0010, K0011, and K0012 will be based on Medicaid's pricing file and fee schedule. Reimbursement for K0014 will be based on the Manufacturer's Suggested Retail Price (MSRP) minus 15%.
- Reimbursement for wheelchair accessories using procedure codes listed in Appendix P under Wheelchair Accessories will be based on Medicaid's pricing file and fee schedule.
- Repairs and/or replacement of parts for motorized/power wheelchairs will require prior authorization by the Alabama Medicaid Agency. Prior authorization may be granted for repairs and replacement parts for motorized/power wheelchairs not previously paid for by Medicaid and those prior authorized through the EPSDT program. Wheelchair repairs and replacement parts for motorized/power wheelchairs may be covered using the appropriate HCPC code listed in Section 14.5.3 under Wheelchair Accessories.
- Reimbursement may be made for up to one month for a rental of a wheelchair using procedure code K0462 while patient owned equipment is being repaired.
- Suppliers providing motorized/power wheelchairs to recipients must have at least one employee with certification from Rehabilitation Engineering and assistive Technology Society of North America (RESNA) or registered with the National Registry of Rehab Technology Suppliers (NRRTS). **After October 1, 2004, suppliers must meet these certification requirements to provide motorized/power wheelchairs.**

  For information regarding certification through RESNA contact: Ms. Tonya Vaughn at (703) 524-6686, extension 311.

  The following is the process for obtaining prior approval of a motorized/power wheelchair and accessories:

  - The attending physician must provide the patient with a prescription for the motorized/power wheelchair.
  - The attending physician must provide medical documentation that describes the medical reason(s) why a motorized/power wheelchair is medically necessary.

The medical documentation should also include diagnoses, assessment of medical needs, and a plan of care.

- The patient must choose a Durable Medical Equipment (DME) provider that will provide the wheelchair.
- The DME provider should arrange to have the Alabama Medicaid Agency Motorized/Power Wheelchair Assessment Form 384 completed by an Alabama licensed physical therapist who is employed by a Medicaid enrolled hospital outpatient department. **The physical therapist's evaluation is paid separately and is not the responsibility of the DME provider.** Reimbursement is only available for physical therapists employed by a Medicaid enrolled hospital through the hospital outpatient department. An occupational therapist (OT) or a physical therapist (PT) not employed by a Medicaid enrolled hospital may perform the wheelchair assessment without any reimbursement from the Alabama Medicaid Agency. The OP/PT performing the wheelchair assessment may not be affiliated in any way with the DME company requesting the physical therapy evaluation. If it is determined that the OT/PT is affiliated with the DME company the DME company and the OT/PT will be penalized and referred to the Medicaid Fraud and Investigation Unit.
- The DME provider must ensure that the prior authorization request for the motorized/power wheelchair includes the product's model number and name, the name of the manufacturer, and a list of all wheelchair accessories with applicable procedure codes.

The DME provider will complete the Alabama Medicaid Agency Prior Authorization Form 342 and submit Form 384 along with medical documentation from the physician and mail to EDS, Prior Authorization Unit, P.O. Box 244032, Montgomery, Alabama 36124-4032.

NOTE:

Purchase of the wheelchair is limited to one every five years for recipients who meet the above criteria.

Low Pressure and Positioning Equalization Pad for Wheelchair E2603, E2604

(K0108) To be used for wheelchair cushions for obese individuals unable to use codes listed above

To qualify for Medicaid reimbursement of a low pressure equalization pad, the equipment must be prescribed as medically necessary for the recipient by the physician. Requests for coverage must be received by EDS within **thirty calendar days** after the date that the equipment was dispensed. To qualify for Medicaid reimbursement or a Low Pressure and Positioning Equalization Pad for a wheelchair, the recipient must meet the following **documented** conditions:

- A licensed physician must prescribe the equipment as medically necessary.
- Recipient must have decubitus ulcer or skin breakdown.
- Recipient must be essentially wheelchair confined.

This equipment may be purchased for any qualified Medicaid recipient who meets the above criteria. This equipment may also be rented for any recipient under the age of 21 who is referred through the EPSDT Program. The information submitted must include documentation that the recipient meets the above medical criteria.

Medicaid also reimburses Durable Medical Equipment providers for the Roho Cushions for the Extra Heavy Duty Wheelchair. This wheelchair cushion is covered as a purchase through Medicaid using Medicare's procedure code K0108. This HCPC code may be used to cover wheelchair cushions for obese individuals who could not use HCPC code E0192.

NOTE:

Medicaid will use the established prior authorization criteria for the Extra Heavy Duty Wheelchair and Roho Cushion, but we will add weight, width and depth specifications. Individuals approved for these items must be fitted and measured for wheelchair and cushion by the Durable Medical Equipment company providing these services.

NOTE:

Purchase of a Low Pressure and Positioning Equalization Pad will be limited to one every two years for recipients who meet the above criteria.

Oxygen

Oxygen is necessary for life. When we breathe in, oxygen enters the lung and goes into the blood. When the lungs cannot transfer enough oxygen into the blood to sustain life, an oxygen program may be necessary.

Oxygen therapy is a covered service based on medical necessity and requires prior authorization. Requests for coverage must be received by EDS within **thirty calendar days** after the oxygen equipment is dispensed. The 30 days will be calculated from the date the prior authorization request is received by EDS. All prior authorization requests received with a date greater than 30 days from dispensed date will be assigned an effective date based on actual date received by EDS if the recipient continues to meet medical criteria. No payment will be made for the days between the dispensed date and the date assigned by the Prior Authorization Unit. (See section 14.3.1 Authorization for Durable Medical Equipment) The DME provider will be notified in writing of the assigned effective date and additional justification requirements if applicable.

In order to receive a prior authorization number, forms 360 and 342 must be completed and submitted to EDS. Oxygen therapy is based on the degree of desaturation and/or hypoxemia. To assess patient's need for oxygen therapy, the following criteria must be met:

a. The medical diagnosis must indicate a chronic debilitating medical condition, with evidence that other forms of treatment (such as medical and physical therapy directed at secretions, bronchospasm and infection) were tried without success, and that continuous oxygen therapy is required. **Oxygen will not be approved for PRN use only.**

b. Recipients must meet the following criteria:

   i. Adults with a current **ABG** with a **PO2 at or below 59 mm Hg** or an **oxygen saturation at or below 89 percent**, taken at rest, breathing room air. If the attending physician certifies that an ABG procedure is unsafe for a patient, an oximetry for SaO2 may be performed instead. Pulse oximetry readings on

adults will be considered only in unusual circumstances. Should pulse oximetry be performed, the prescribing physician must document why oximetry reading is necessary instead of arterial blood gas.

ii. Recipients 20 years old or less with **a SaO2 level:**

- **For ages birth through three years, equal to or less than 94%**
- **For ages four and above equal to or less than 89%**

c. The physician must have seen the recipient and obtained the ABG or SaO2 **within 6 months** of prescribing oxygen therapy. Submission of a copy of a report from inpatient or outpatient hospital or emergency room setting will also meet this requirement. Prescriptions for oxygen therapy must include **all of the following**:

i. type of oxygen equipment

ii. oxygen flow rate or concentration level

iii. frequency and duration of use

iv. estimate of the period of need

v. circumstances under which oxygen is to be used

d. Medical necessity initial approval is an approval for no more than three months. To renew approval, ABG or oximetry is required within the third month of the initial approval period. Approval for up to 12 months will be granted at this time if resulting pO2 values or SaO2 levels continue to meet criteria. If ABG or oximetry is not obtained within the third month of the initial approval period or in the case of a subsequent recertification requests within 6 months prior to the end of the current certification period, approval will be granted beginning with the date of the qualifying ABG or oximetry reading.

e. Criteria for equipment reimbursement

i. Oxygen concentrators will be considered for users requiring one or more tanks per month of compressed gas (stationary unit). Prior approval requests will automatically be subjected to a review to determine if a concentrator will be most cost effective.

ii. Reimbursement will be made for portable O2 only in gaseous form. Medicaid will cover portable oxygen for limited uses such as physician visits or trips to the hospital. This **must** be stated as such on the medical necessity or prior approval request. Portable systems that are used on a standby basis only will not be approved. **Only one portable system (E0431) consisting of one tank and up to four refills (E0443) per month will be approved based on a review of submitted medical justification.** An example of justification for refills includes, but is not limited to, multiple weekly visits for radiation or chemotherapy.

Medicaid will reimburse for only one stationary system.

iii. **For initial certification for oxygen the DME supplier, and its employees, may not perform the ABG study or oximetry analysis used to determine medical necessity**.

iv. Effective January 1, 2005 for recertification for oxygen only following qualifying sleep study which allows for approval of nocturnal oxygen, the DME supplier may perform the oximetry analysis to determine continued medical necessity for recipients receiving nocturnal oxygen

only. A printed download of the oximetry results must be submitted with a prior authorization request. Handwritten results will not be accepted.

NOTE:

There are no restrictions related to oxygen flow rate and eligibility for oxygen coverage. The restriction is related only to the procedure codes covered.

Include a copy of the EPSDT Screening and Referral form with oxygen requests for children under age 21. This form is used to allow additional medical necessity equipment and/or supplies to be covered beyond current limitations. Only one portable system consisting of one tank and up to four refills per month will be approved based on a review of submitted medical justification.

Added: **At initial certification… O2Sat is acceptable.**

At initial certification for continuous oxygen an ABG or O2Sat is acceptable. For initial certification of nocturnal oxygen a sleep study is required. At recertification for continuous oxygen an ABG or O2Sat is acceptable. For recertification of nocturnal oxygen an overnight oximetry, an ABG or an O2Sat is acceptable.

Pulse Oximeter - (E0445)

Pulse oximetry is a non-invasive method of determining blood oxygen saturation levels to assist with determining the amount of supplemental oxygen needed by the patient.

Request for coverage of pulse oximeters must be received by EDS within thirty days after the equipment is dispensed. When the request is not received within the thirty-day time frame for **pulse oximeters,** the thirty days will be calculated from the date the prior authorization request is received by EDS. All prior authorization requests received with a date greater than thirty days from dispensed date will be assigned an effective date based on actual date received by EDS if the recipient continues to meet medical criteria. No payment will be made for the days between the dispensed date and the date assigned by the Prior Authorization Unit. (See section 14.3.1 Authorization for Durable Medical Equipment)

Pulse oximeters are a covered service for EPSDT eligible individuals who are already approved for supplemental home oxygen systems and whose blood saturation levels fluctuate, thus requiring continuous or intermittent monitoring to adjust oxygen delivery. To receive prior authorization, submit a written request to include, but not limited to, all the following requirements:

- A completed Form 342 with required supportive documentation
- Copy of EPSDT form/referral
- Copy of prior approval form for home oxygen (Form 360)

The use of home pulse oximetry, for pediatric patients, is considered medically appropriate if one of the following criteria in documentation requirements A is met in addition to the documentation requirements in B:

Documentation Requirements A:

1. Patient is ventilatory dependent with supplemental oxygen required; or
2. Patient has a tracheostomy and is dependent on supplemental oxygen; or
3. Patient requires supplemental oxygen per Alabama Medicaid criteria (see below) and has unstable saturations[1]; or
4. Patient is on supplemental oxygen and weaning is in process; or
5. Patient is diagnosed with a serious respiratory diagnosis and requires short term[2] oximetry to rule out hypoxemia and/or to determine the need for supplemental oxygen.

Documentation Requirements B:

The following documentation is required:

1. **Pulse oximetry evaluations**. To qualify, from birth through three years must have a SaO2 equal to or less than 94%. Recipients age four and above must have a SaO2 equal to or less than 89%. Conditions under which lab results were obtained must be specified. When multiple pulse oximetry readings are obtained the qualifying desaturations must occur for five or more minutes (cumulative desatutration time) to qualify. Pulse oximetry evaluations are acceptable when ordered by the attending physician, and performed under his/her supervision, or when performed by a qualified provider or supplier of laboratory services. **A DME supplier is not a qualified provider of lab services.**
2. **Plan of Care.** A plan of care updated within 30 days of request must be submitted to include, at a minimum, plans for training the family or caregiver: The training plan shall provide specific instructions on appropriate responses for different scenarios, i.e., what to do when O2 sats are below 89%.

Initial approval will consist of up to 90 days only. For requests secondary to the need to determine the appropriateness of home oxygen liter flow rates, to rule out hypoxemia and/or to determine the need for supplemental oxygen, approval will be granted for up to 30 days only. Renewal may be requested for patients already approved for oxygen coverage by the Alabama Medicaid Agency. Documentation may also include written or printed results of pulse oximetry readings obtained within the last month with documentation of condition(s) present when readings were obtained. Renewal may be granted for up to a six-month period for patients receiving oxygen coverage through Alabama Medicaid.

[1]Unstable saturations are documented desaturations which require adjustments in the supplemental oxygen flow rates to maintain saturation values. This should be documented to have occurred at least once in a 60 day period immediately preceding the request for certification/recertification.

[2]Short-term is defined as monitoring/evaluation for up to 30 days. “Spot oximetry” is not covered under this policy.

Qualifying Diagnoses:

Lung disease, including but not limited to interstitial lung disease, cancer of the lung, cystic fibrosis bronchiectasis.

- Hypoxia related symptoms/conditions, such as pulmonary hypertension
- Recurrent CHF secondary to cor pulmonale
- Erythrocytosis
- Sickle cell disease
- Severe Asthma
- Hypoplastic heart disease
- Suspected sleep apnea or nocturnal hypoxia
- Other diagnoses with medical justification

Medicaid Coverage for Pulse Oximeter

The Pulse Oximeter must be an electric desk top model with battery backup, alarm systems, memory and have the capacity to print downloaded oximeter readings. Downloads for each month of the most current certification period are required for all recertification requests. Recertification is required until the recipient no longer meets criteria or the device is removed from the home. The monthly payment will include delivery, in-service for the caregiver, maintenance, repair, supplies and 24-hour service calls. If the pulse oximeter is no longer medically necessary (criteria no longer met), the oximeter will be returned to the supplier and may be rented to another client who meets criteria for pulse oximeter. Medicaid will pay for repair of the pulse oximeter after the initial 10 months only to the extent not covered by the manufacturer's warranty. Repairs must be prior authorized and the necessary documentation to substantiate the need for repairs must be submitted to EDS who will forward this information to Medicaid's Prior Authorization Unit. Replacement of the pulse oximeter -requires prior authorization and is considered after three (3) years based upon the review of submitted documentation. If the replacement is due to disaster or damage which is not the result of misuse, neglect or malicious acts by users, then requests for consideration of payment for replacement equipment must be submitted to the Alabama Medicaid Agency, Long Term Care Division with a police report, fire report or other appropriate documentation. In addition, one reusable probe per recipient per year will be allowed after the initial 10 months capped rental period.

Limitations

Diagnoses not covered:

- Shortness of breath without evidence of hypoxemia
- Peripheral Vascular Disease
- Terminal illnesses not affecting the lungs, such as cancer not affecting the lungs or heart disease with no evidence of heart failure or pulmonary involvement.

Pulse oximeter requests for renewal will not be approved after the initial monitoring/evaluation period for those recipients not meeting criteria for oxygen coverage. Spot oximetry readings are non-covered service under the DME program.

14.2.3 Coverage of supplies for the Pulse Oximeter

Supplies for the Pulse Oximeter will only be paid for by Medicaid after completion of the ten month rental period.

A4606 - non disposable probe is limited to one per year per recipient.

A4606 – disposable probe is limited to two per month per recipient.

NOTE:

When requesting disposable probes medical documentation must be submitted justifying the need for disposable probes. The documentation must show why a non-disposable probe is medically necessary.

Volume Ventilator – Stationary or Portable (E0450-R) with backup rate feature used with invasive interface.

Volume Ventilator – Stationary or Portable (E0461-R) with backup rate feature used with non- invasive interface.

A ventilator is covered for EPSDT referred recipients. A physician must prescribe it as medically necessary. Request for coverage of ventilators must be received by EDS within **thirty calendar days** after the equipment is dispensed. When the request is not received within the thirty day time frame for **ventilators** the thirty days will be calculated from the date the prior authorization request is received by EDS. All prior authorization requests received with a date greater than thirty days from dispensed date will be assigned an effective date based on actual date received by EDS if the recipient continues to meet medical criteria. No payment will be made for the days between the dispensed date and the date assigned by the Prior Authorization Unit. (See section 14.3.1 Authorization for Durable Medical Equipment)

The recipient must meet the following conditions:

- The recipient is unable to maintain respiration spontaneously.
- The recipient is unable to maintain safe levels of arterial carbon dioxide or oxygen with spontaneous breathing.
- The recipient has a medical condition that requires mechanically assisted ventilation that is appropriate for home use without continuous technical or professional supervision.

The appropriate EPSDT Screening Referral form must be attached to the prior authorization request. The information submitted must include documentation that the recipient meets the above criteria.

Home Phototherapy (E0202)

Home phototherapy is a covered service in the DME Program used for management of physiologic hyperbilirubinemia. To administer the treatment of phototherapy safely and properly in the home, an attending physician must prescribe it as medically necessary.

Effective November 1, 2005 prior authorization for Home Phototherapy for the first four (4) consecutive days of therapy is no longer a requirement. Prior authorization is required if therapy continues to be medically necessary after four (4) consecutive days.

Coverage is available for a maximum of four (4) consecutive days, is limited to the first 30 days of life, and will be based upon documentation received from the attending physician which must support medical necessity.

Treatment of bilirubin levels less than or equal to 12.0 will not be covered. If a PA request indicates bilirubin levels are less than or equal to 12.0 and were at that level during the first four (4) days of treatment the PA request will be denied and recoupment will be initiated. If treatments continue beyond (4) four days request for the Home Phototherapy must be received by EDS within thirty calendar days after the equipment is dispensed. When the request is not received within the thirty calendar day time frame the thirty days will be calculated from the date the prior authorization request is received by EDS. Prior authorization requests received with a date greater than thirty days from the dispensed date will be assigned an effective date based upon the actual date of receipt by EDS if the recipient continues to meet medical criteria. No payment will be made for the days between the dispensed date and the date assigned by the Prior Authorization Unit. (See section 14.3.1 Authorization for Durable Medical Equipment)

The provider must assure that the parent or caregiver receives education for safe and effective use of the home phototherapy equipment. The procedure code (E0202) includes a global fee per day for equipment, nurse visits, and collection of lab work.

Providers of home phototherapy must meet the following:

- Be enrolled as a Medicaid DME provider; and
- Have currently licensed registered nurses to perform the home visits and associated professional services; and
- Submit in writing the following information on each registered nurse who will be performing nursing visits:
  - Name
  - Registered Nurse's license number with effective date and expiration date; and
- Submit in writing bilirubin levels and treatment start and stop dates.

The use of Home Phototherapy for children under the age of 21 is considered medically necessary if all of the following criteria are met:

- The infant is term (37 weeks of gestation or greater), older than forty-eight hours and otherwise healthy; and
- The serum bilirubin levels greater than 12; and
- The elevated bilirubin level is not due to a primary liver disorder; and
- The diagnostic evaluation (described below) is negative; and
- The infants' bilirubin concentrations as listed below indicate consideration of phototherapy.

AGE, HOURS	Consider phototherapy when total serum bilirubin is:
25-48	Greater than 12 (170)
49-72	Greater than 15 (260)
Greater than 72	Greater than 17 (290)

Prior to therapy, a diagnostic evaluation should include: history and physical examination, hemoglobin concentration or hematocrit, WBC count and differential count blood smear for red cell morphology and platelets, reticulocyte count , total and direct reacting bilirubin concentration, maternal and infant blood typing and Coombs test, and urinalysis includes a test for reducing substances.

NOTE:

A skilled nursing visit may not be billed in the Home Health program for this service.

High Frequency Chest Wall Oscillation Air Pulse Generator System (E0483) (Includes Hoses and Vest)

A high frequency chest wall oscillation (HFCWO) system is an airway clearance device consisting of an inflatable vest connected by two tubes to a small air-pulse generator that is easy to transport. Request for the HFCWO must be received by EDS within thirty calendar days after the equipment is dispensed. When the request is not received within thirty calendar day time frame the thirty days will be calculated from the date the prior authorization request is received by EDS. All prior authorization requests received with a date greater than thirty days from dispensed date will be assigned an effective date based on actual date received by EDS if the recipient continues to meet medical criteria. No payment will be made for the days between the dispensed date and the date assigned by the Prior Authorization Unit. (See section 14.3.1 Authorization for Durable Medical Equipment)The recipient must meet the following conditions:

The HFCWO is covered for EPSDT referred recipients when prescribed as medically necessary by a physician and all of the following criteria are met:

1. The patient has had two or more hospitalizations or episodes of home intravenous antibiotic therapy for acute pulmonary exacerabations during the previous twelve months; and

2. The FEV1 (forced expiratory flow in one second) is less than 80% of predicted value or FVC (forced vital capacity) is less than 50% of the predicted value; and
3. There is a prescribed need for chest physiotherapy at least twice daily; and

4. There is a well documented failure of other forms of chest physiotherapy which have been demonstrated in the literature to be efficacious, including hand percussion, mechanical percussion, and Positive Expiratory Pressure (PEP) device. The evidence must show that these have been tried in good faith and been shown to have failed prior to approval of the vest; and

5. The patient does not have a caretaker available or capable of assisting with hand percussion, then a trial of hand percussion would not be a necessary prerequisite, but such patients would still need to in good faith complete a trial of mechanical percussion and the use of the PEP device.

NOTE:

The qualifying diagnosis for the HFCWO system is Cystic Fibrosis (277.00, 277.02).

Medicaid Coverage for the HFCWO (Capped Rental)

The initial rental approval will consist of up to 90 days. At the end of the 90 days, documentation is required that demonstrates recipients usage and compliance levels. Renewal will be granted up to the capped rental period of 10 months if compliance with prescribed use is documented and documentation is found that respiratory status is stable or improving. The rental period will allow the patient to demonstrate compliance with the device. The rental will include all accessories necessary to use the equipment, education on the proper use and care of the equipment as well as routine servicing, necessary repairs and replacements for optimum performance of the equipment. The monthly payment will include delivery, in-service for the caregiver, maintenance and repair. After the device is purchased no additional cost will be incurred by the Medicaid Agency because the device (the inflatable vest, generator and hoses) is covered under lifetime warranty and the responsibility of the manufacturer or supplier to provide maintenance or replace the device. Recertification is required until the recipient no longer meets the criteria, the device is removed from the home, or the device is purchased. If the HFCWO is determined not to be medically necessary (i.e., the criteria is no longer met) the HFCWO will be returned to the supplier if the total rental amount paid is less than the established purchase price.

Percussor Electric or Pneumatic

Chest percussors, electric or pneumatic, are used to mobilize secretions in the lungs. Chest percussions may be performed by striking the chest with cupped hands or with a mechanical hand held unit. An electric percussor is a vibrator that produces relatively course movements to the chest wall to mobilize respiratory tract secretions and stimulate the cough mechanism.

Requests for coverage of the percussor must be received by EDS within thirty days after the equipment is dispensed. When the request is not received within the thirty-day time frame for the percussor**,** the thirty days will be calculated from the date the prior authorization request is received by EDS. All prior authorization requests received with a date greater than thirty days from dispensed date will be assigned an effective date based on actual date received by EDS if the recipient continues to meet medical criteria. No payment will be made for the days between the dispensed date and the date assigned by the Prior Authorization Unit. (See section 14.3.1 Authorization for Durable Medical Equipment)

The percussor is considered medically necessary for patients with excessive mucus production and difficulty clearing secretions if the following criteria are met:

- Must be an EPSDT Medicaid eligible individual; and
- Patient has a chronic lung condition of cystic fibrosis or bronchiectasis; and

- Other means of chest physiotherapy such as hand percussion and postural drainage have been used and failed; and
- No caregiver available or caregiver is not capable of performing manual therapy; and
- Clinical documentation indicates that manual therapy has been used and does not mobilize respiratory tract or the patient can not tolerate postural drainage

Initial approval is for 90 days. Renewal granted for up to seven months for patients with continued medical necessity, documentation of compliance with prescribed use and whose respiratory status is stable or improving.

Incontinence Products (Disposable Diapers) T4512, T4522, T4523, T4524, T4529, and T4530

The procedure codes listed above will be honored for prior authorizations approved for dates of services extending into year 2004. Prior authorizations (for diapers) requested on or after January 1, 2005 will be considered using procedure codes T4521, T4522, T4523, T4524, T4529, and T4530.

These incontinence products (disposable diapers) require prior authorization.

Medicaid will consider payment of disposable diapers when referred as medically necessary from an EPSDT screen and the criteria below are met:

1. Recipient must be at least 3 years old;
2. Patient must be non-ambulatory or minimally ambulatory;
3. Patient must be medically at risk for skin breakdown, which is defined as meeting at least two of the following:
   a) Unable to control bowel or bladder functions,
   b) Unable to utilize regular toilet facilities due to medical condition
   c) Unable to physically turn self or reposition self,
   d) Unable to transfer self from bed to chair or wheelchair without assistance.

T4521 Adult-sized incontinence product, diaper, small

T4522 Adult-sized incontinence product, diaper, medium

T4523 Adult-sized incontinence product, diaper, large

T4524 Adult-sized incontinence product, diaper extra large

T4529 Child-sized incontinence product, diaper small/medium

T4530 Child-sized incontinence product, Large

Apnea Monitor (E0619)

The apnea monitor is a covered service with prior authorization in the DME program for EPSDT referred recipients. The apnea monitor can be provided only if it can be used properly and safely in the home and if it has been prescribed as medically necessary by a physician. Request for coverage of **apnea monitors** must be received by EDS within **thirty calendar days** after the equipment is dispensed. When the request is not received within the thirty day time frame for apnea monitors the thirty days will be calculated from the date the prior authorization request is received by EDS. All prior authorization requests received with a date greater than thirty days from dispensed date will be assigned an effective date based on actual date received by EDS if the recipient continues to meet medical criteria. No payment will be made for the days between the

dispensed date and the date assigned by the Prior authorization Unit. (See section 14.3.1 Authorization for Durable Medical Equipment)

To qualify for the placement of an apnea monitor and Medicaid reimbursement for the monitor, the recipient must meet/have documentation of **at least one** of the following (Infants are defined as less than or equal 12 months of age):

- Apnea that lasts 20 or more seconds that is associated with baby's color changing to pale, purplish or blue, bradycardia (heart rate below 80 beats per minute), baby choking or gagging that requires mouth-to-mouth resuscitation or vigorous stimulation documented by medical personnel (documented pathologic apnea).
- Pre-term infants with periods of pathologic apnea
- Sibling of SIDS victim
- Infants with neurological conditions that cause central hypoventilation
- Infants or children less than two years of age with new tracheostomies (tracheostomy within the last 60 days)

The following must also be included:

- Documentation from the physician with a patient specific plan of care, proposed evaluation and intervention to include length of time of use each day, anticipated reevaluation visits/intervals, additional therapeutic interventions appropriate for diagnosis/cause of apnea
- Documentation of counseling to parents must include the understanding that monitoring cannot guarantee survival
- Documentation of parental training and demonstration of proficiency in CPR and resuscitation methods

Approval is for three (3) months only.

Renewal criteria **must** include the following:

- A copy of nightly monitor strips or monthly download is required as documentation of pathologic apnea or bradycardia for the past three months.
- A letter from the physician with patient-specific plan of care to justify the medical necessity for continued use of monitor at **each** recertification period.

Discontinuation Criteria include:

- Apparent Life-Threatening Event (ALTE) infants that have had two to three months free of significant alarms or apnea.
- The provider must check for recipient compliance (i.e. documentation via download monthly or through nightly strips). The monitor will be discontinued with documentation of non-compliance. Non-compliance is defined as failure to use the monitor at least 80% of each certification period.
- Sibling of SIDS victim who is greater than six months of age
- Tracheostomy recipients greater than two years of age

Effective September 2001, before an Apnea Monitor is provided to a Medicaid recipient, it is a Medicaid requirement that the parent/caregiver has documentation showing that they have had CPR training and demonstrated proficiency in CPR and resuscitation methods. The staff providing CPR training must have a license/certification to provide such training. Provider Notice 99-13, reflecting the amended Apnea Monitor policy was mailed to providers in August of 1999. The effective date of this provider notice was September 1, 1999.

The statement listed below is information used to support the revision to the Apnea Monitor coverage policy related to parents/caregivers having CPR training. This information was taken from an article entitled “Infantile Apnea and Home Monitoring.” This article was published in the National Institute of Health Consensus Development Conference Statement.

"All families who have babies with Apnea are encouraged to be trained in infant cardiopulmonary resuscitation (CPR) before the baby is discharged from the hospital. Although it is unlikely that you will ever have to use CPR, it is best that you be prepared." It is the DME provider’s responsibility to ensure that parents provide them with documentation of CPR training. This documentation must show proficiency in CPR and resuscitation methods. It is not the provider’s responsibility to provide CPR training to the parents. However, the provider may direct the parents to agencies such as the Red Cross, Fire Departments, etc., where CPR training is provided.
If a prior authorization request for an Apnea Monitor is submitted to Medicaid without this requested documentation, the request will be denied. The Prior Authorization Unit will request the provider to resubmit the prior authorization request with the needed documentation. No prior authorizations will be approved without this documentation.

NOTE:

A caregiver trained and capable of performing Cardiopulmonary Resuscitation (CPR) must be available in the home. Documentation must be provided.

When submitting a prior approval request for Medicaid’s authorization of an apnea monitor for a sibling of a SIDS victim, use the diagnosis code V201. DME providers should use V201 only for a recipient who is a sibling of a SIDS victim. Do not use diagnosis code 7980. The clinical statement on PA Form 342 must include documentation from the physician supporting the recipient’s diagnosis of ‘Sibling of SIDS victim.’

14.2.4 Non-covered Items and Services

Medicaid does not cover the following types of items:

- Items of a deluxe nature
- Replacement of usable equipment
- Items for use in hospitals, nursing facilities, or other institutions
- Items for recipient’s comfort or the caring person's convenience
- Items not listed as covered by Medicaid

- Rental of equipment, with exceptions noted below
  - EPSDT referred services
  - Medicare crossovers
  - Certain intravenous therapy equipment
  - Short term use due to institutionalization
  - Short term use due to death of a recipient

14.3 Prior Authorization and Referral Requirements

Certain DME requires prior authorization. Please refer to Appendix P, Procedure Codes and Modifiers, for items that require prior authorization from Medicaid. Payment will not be made for these procedures unless the prior authorization request is received within **thirty calendar days** after the service is provided.

NOTE:

Prior authorization is not a guarantee of payment. The authorization number does not guarantee recipient eligibility at the time the equipment is dispensed. The provider is responsible for verifying recipient's eligibility.

When filing claims for recipients enrolled in the Patient 1st Program, refer to Chapter 39 to determine whether your services require a referral from the Primary Medical Provider (PMP).

All requests for prior approval should be initiated and signed by the attending physician and must document medical necessity. Requests may be sent electronically using the EDS Provider Electronic Solution software or mailed in hardcopy to the Prior Authorization Unit, P.O. Box 244032, Montgomery, Alabama 36124-4032. The PA Unit at Medicaid will approve, deny, or return the request. EDS will return any requests containing missing or invalid information. Please see Chapter 4, Obtaining Prior Authorization, for additional information.

14.3.1 Authorization for Durable Medical Equipment

Provider must have a prescription on file from the attending physician that a specific covered item of durable medical equipment is medically necessary for use in the recipient's home prior to completing the Alabama Prior Review and Authorization Request form.

Prior authorization requests for purchase, rental, or re-certification of DME must be received by Medicaid's fiscal agent within **thirty calendar days** of the signature date the equipment was dispensed. Time limits for submitting requests for services and resubmitting additional information are as follows:

- All prior authorization requests received with a **date greater than thirty days** from dispensed date will be assigned an effective date based on actual date received by EDS if the recipient continues to meet medical criteria. No payment will be made for the days between the dispensed date and the date assigned by the Prior Authorization Unit. If additional information is needed to process a prior authorization request is **not received within thirty days** the prior authorization request will be denied.

- All prior authorization requests for the **purchase** of DME received beyond **thirty calendar days** after equipment is provided will be denied.
- All prior authorization requests for certification of **rental** services received beyond **thirty calendar days** of beginning services will be authorized for reimbursement effective the date of receipt at EDS.
- All prior authorization requests for re-certifications of DME rental services must be submitted to EDS within **thirty calendar days** of the re-certification date. Completed re-certifications received beyond the established time limit will be authorized for reimbursement effective the date of receipt at EDS.

Medicaid will review the request and assign a status of approved, denied, or suspended. Providers are sent approval letters indicating the ten-digit PA number that should be referenced on the claim form for billing. Providers and recipients will also be notified on denied requests.

DME Review Criteria

Medicaid reviews all DME prior authorization requests for the following:

- Medicaid eligibility
- Medicare eligibility
- Medical necessity
- Therapeutic purpose for use of equipment in the recipient's home
- Referral through the Sickle Cell Foundation, when appropriate

Although equipment prescribed by the physician may be on the list of covered items, Medicaid will determine to what extent it would be reasonable for Medicaid reimbursement. Equipment may be authorized when it is expected to make a significant contribution to the treatment of the recipient's injury or illness or to improve his physical condition. Equipment will be denied if it is disproportionate to the therapeutic benefits or more costly than a reasonable alternative.

In the event Medicaid receives an authorization form from more than one provider prescribing the same item for a recipient, Medicaid will consider the authorization form received first.

Added: NOTE

NOTE:

For information on submitting Electronic PA Requests Requiring Attachments refer to Chapter 4, section 4.2.1 (Submitting PAs Using Provider Electronic Solutions) of the Alabama Medicaid Provider Manual.

Disposition of Equipment

The recipient or caregiver should contact the Alabama Medicaid Agency, DME Program, when the need for the equipment no longer exists. The DME provider should not take back equipment from recipients or caregivers that was purchased by Medicaid. The provider should have the recipient or caregiver call the DME Program at 1-800-362-1504 when the equipment is no longer being used or needed.

14.3.2 EPSDT Program Referrals

The Omnibus Budget Reconciliation Act of 1989 expanded the scope of the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program for Medicaid recipients under age 21. Effective October 1, 1990, Medicaid began prior authorizing certain approved medical supplies, appliances, and durable medical equipment prescribed as a result of an EPSDT screening to treat or improve a defect, an illness, or a condition.

The Alabama Medicaid Agency EPSDT Referral for Services form (Form 167) or Patient 1st EPSDT Referral for Services form (Form 345) as applicable, and any supporting documentation must be sent to EDS, Prior Authorization Unit, for review. Complete documentation describing how prescribed items will treat or improve a condition must be included on Form 167 or 345. Indicate prescribed items and appropriate procedure codes, and units billed in blank areas on the form.

Requests for EPSDT-referred specialized wheelchair systems

Requests for EPSDT-referred specialized wheelchair systems must be sent hard copy. Medicaid uses Medicare-based allowables for EPSDT-referred wheelchair systems. If no Medicare price is available, reimbursement rates established by Medicaid for EPSDT-referred wheelchair systems are based on a discount from Manufacturers Suggested Retail Price (MSRP) instead of a "cost-plus" basis.

Providers are required to submit available MSRPs from three manufacturers for wheelchair systems (excluding seating system and add-on products) appropriate for the individual's medical needs.

Requests submitted with fewer than three prices from different manufacturers must contain documentation supporting the appropriateness and reasonableness of requested equipment for a follow-up review by Medicaid professional staff. Provider must document non-availability of required MSRPs to justify not sending in three prices.

The established rate will be based on the MSRP minus the following discounts:

- Manual Wheelchair Systems - 20% discount from MSRP
- Power Wheelchair Systems - 15% discount from MSRP
- Ancillary (add-on) products - 20% discount from MSRP

Suppliers requesting approvals for medical items must provide Medicaid with an expected date of delivery.

For medical items approved based on medical necessity, Medicaid will indicate the time frame allowed for providers to dispense equipment on the approval letter.

When a provider is unable to dispense equipment within the time frame specified on the approval letter, an extension may be requested with written justification as to the specific reason(s) why the equipment cannot be supplied in a timely manner. All requests for extensions must be submitted to Medicaid prior to the expiration date indicated on the approval letter. Medicaid will cancel approvals for medical items that are not dispensed in a timely manner when there is no justifiable reason for delay.

The Medicaid screening provider and recipient will be notified when an approved request for equipment is canceled due to provider noncompliance and the recipient will be referred to other Medicaid providers to obtain medical items.

A supplier providing EPSDT referred specialized wheelchair systems to recipients must be registered with the National Registry of Rehab Technology Suppliers (NRRTS) or have certification from Rehabilitation Engineering and Assistive Technology Society of North America (RESNA).

14.4 Patient 1st Referrals

When filing claims for recipients enrolled in the Patient 1st program, refer to Chapter 39, Patient 1st Billing Manual to determine whether your services require a referral from the Primary Medical Provider (PMP).

14.5 Cost-Sharing (Copayment)

Medicaid recipients are required to pay and suppliers are required to collect the designated copay amount for the rental/purchase of services, supplies, appliances, and equipment, including crossovers. The copayment does not apply to services provided for pregnant women, recipients less than 18 years of age, emergencies, surgical fees, and family planning.

The Medicaid DME Program requires copayment at the following rates:

Item	***Copay Amount***
Durable Medical Equipment, including crossovers	$3.00 for each item
Supplies and Appliances, including crossovers	$3.00 for items costing $50.01 or more $2.00 for items costing $25.01-$50.00 $1.00 for items costing $10.01-$25.00 $.50 for items costing $10.00 or less
Iron Infusion Pump Repair	$3.00 for each Prior Authorization (PA) Number

The provider may not deny services to any eligible Medicaid recipient because of the recipient's inability to pay the cost-sharing amount imposed.

14.6 Completing the Claim Form

➢ Electronic claims submission can save you time and money. The system alerts you to common errors and allows you to correct and resubmit claims online

To enhance the effectiveness and efficiency of Medicaid processing, providers should bill Medicaid claims electronically.

DME providers who bill Medicaid claims electronically receive the following benefits:

- Quicker claim processing turnaround
- Immediate claim correction
- Enhanced online adjustment functions
- Improved access to eligibility information

Refer to Appendix B, Electronic Media Claims Guidelines, for more information about electronic filing.

NOTE:

When filing a claim on paper, a CMS-1500 claim form is required. Medicare-related claims must be filed on the Medical Medicaid/Medicare-related Claim Form.

Refer to Chapter 5, Filing Claims, for general claims filing information and instructions.

14.6.1 Time Limit for Filing Claims

Medicaid requires all claims for DME to be filed within one year of the date of service. Refer to Section 5.1.5, Filing Limits, for more information regarding timely filing limits and exceptions.

14.6.2 Diagnosis Codes

DME providers may bill diagnosis code V729 on hard copy and electronically submitted claims.

14.6.3 Procedure Codes and Modifiers

The medical supplies and appliances listed in Appendix P are available to eligible Medicaid recipients for use in their homes as prescribed by the attending physician and dispensed by a Medicaid contract provider.

For a complete listing of procedure codes and modifiers refer to Appendix P: Durable Medical Equipment (DME) Procedure Codes and Modifiers.

14.6.4 Place of Service Codes

The following place of service code applies when filing claims for DME:

POS Code	*Description*
12	Home

14.6.5 Required Attachments

To enhance the effectiveness and efficiency of Medicaid processing, your attachments should be limited to claims with third party denials.

NOTE:

When an attachment is required, a hard copy CMS-1500 claim form must be submitted.

Refer to Section 5.7, Required Attachments, for more information on attachments.

14.7 For More Information

This section contains a cross-reference to other relevant sections in the manual.

Resource	Where to Find It
CMS-1500 Claim Filing Instructions	Section 5.2
Medical Medicaid/Medicare-related Claim Filing Instructions	Section 5.6.1
Electronic Media Claims (EMC) Submission Guidelines	Appendix B
AVRS Quick Reference Guide	Appendix L
Alabama Medicaid Contact Information	Appendix N
DME Procedure Codes and Modifiers	Appendix P